

Understanding Your Natural Gas Bill

A summary of the specific charges and billing terms that may be included on your bill are as follows:

A

Account Number: Number assigned to a service account for a specific residence.

Account Status: Balance and/or payments received and applied to your account.

Actual Meter Read or **ACT:** A reading that measures the exact amount of gas used during the billing period.

B

Balance (Recovery) and Demand (Capacity) Charge: Cost of balancing customer use with actual gas delivered and pipeline capacity.

Billing Month: Number of days of service billed on the current bill – which should include 26-35 days of service.

C

Ccf or **CCF:** Measurement of 100 cubic feet of gas.

Choice Implementation Surcharge: Charge that allows the company to recover program costs of customers who buy their gas from other natural gas suppliers.

Current Bill or **Current Charges:** Charges for the most recent usage.

Customer Charge (also called **Service** or **Fixed Charge**): Fixed monthly charge covering costs of meter reading, billing, equipment and maintenance expenses, whether or not the service is used.

D

Days Billed: Number of days in the billing cycle.

Distribution Charge: Cost for delivering gas to a home or business.

Due Date: Date a bill must be paid. NOTE: Bills must be paid 21 days from mailing date. Late charges may be added after 26 days.

Duplicate Bill: A second bill sent to you with the same information and charges as the first bill.

E

Energy Optimization Surcharge: Charge directed by the legislature for programs to help customers use energy more efficiently.

Enhanced Security Surcharge: Order issued by the Nuclear Regulatory Commission after September 11, 2001 for increased security at nuclear-generating facilities.

Estimated Meter Read or **EST:** Estimated amount of gas used during the billing period, based on past usage and weather.

G

Gas Cost Recovery: (also called a **GCR Charge**, **Supplier Energy Charge**, or **Gas Commodity**): Charge for actual amount of natural gas customer uses. Companies make no profit from the sale of natural gas. The customer and the company pay the same price.

Gas Interim Rate Increase: Increase in the rate the customer must pay for gas that has not been approved by the MPSC. If the MPSC rejects or reduces the rate requested, customers will get a refund with interest.

M

MCF: A measurement of 1,000 cubic feet of gas.

P

PEM and OPEB (Pension Equalization Mechanism and Other Post Employment Benefit) Surcharges:

Charge that balances a utility's actual employee pension and other benefit expenses with the amount allowed by the MPSC.

R

Rate: A charge, approved by the MPSC, for a unit of energy provided for customer use for a specific period of time.

S

Sales Tax: 4% for residential service (6% for business service) required by Michigan Department of Treasury.

T

Total Amount Due: (also called **Total Account Balance** or **Total Current Charges**): Current amount owed, including any past due amounts.

U

UETM (Uncollectible Expense True-up Mechanism) Surcharge: A surcharge to recover bad debt losses due to customers not paying their bills and energy theft.

NOTE: For a more detailed description of charges, see the MPSC website.

michigan.gov/mpsc